

ARGUMENT IN FAVOR OF PROPOSITION 89

VOTE YES TO TAKE A STAND AGAINST THE POWER OF SPECIAL INTERESTS AND LOBBYISTS IN CALIFORNIA GOVERNMENT.

VOTE "YES" ON PROPOSITION 89, THE CLEAN MONEY AND FAIR ELECTIONS ACT

We have a crisis of corruption in our government marked by scandal after scandal and criminal investigations of politicians from both parties. It is time for Californians to clean up this corruption and make politicians accountable to voters instead of big money campaign contributors.

THE PROBLEM

Right now, special interests like big oil companies, the drug giants, the insurance industry, and HMOs can get their way in Sacramento by donating millions to elect politicians who will owe them favors. Lobbyists and special interests use campaign contributions to pass their pork barrel projects and create tax loopholes—costing consumers and taxpayers like you billions of dollars each year.

THE SOLUTION: PROPOSITION 89

If you're dissatisfied with the way campaigns are funded in California and the effect of campaign contributions on state government, Vote Yes on Prop. 89.

YOUR "YES" VOTE WILL:

1. Help level the playing field and make our elections more fair and competitive—so that candidates with the best ideas have a chance to win, even if they are not rich or well connected to wealthy special interest groups and lobbyists.
2. Require candidates to adhere to strict spending limits and reject special interest contributions in order to qualify for public financing.
3. Ban contributions to candidates by lobbyists and state contractors.
4. Set limits on outside, so-called "independent" campaign committees created by big contributors to influence elections.
5. Limit to \$10,000 the amount corporations can spend directly on ballot measure campaigns.

6. Restrict contributions by corporations, unions, and individuals to \$500 for candidates for state Legislature, \$1,000 to candidates for statewide office.

7. Establish tough penalties, including jail time and removing candidates from office who break the law.

NOT FUNDED BY INDIVIDUAL TAXPAYERS OR THE STATE BUDGET

Proposition 89 is specifically funded by a modest increase in the corporate income tax rate—raising it from 8.84% to 9.04%. The resulting corporate income tax rate would still be less than it was from 1980 until 1996. Corporations should pay their fair share in taxes.

WHEN YOU HEAR THE ARGUMENTS AGAINST PROPOSITION 89, REMEMBER:

- Opposition to Proposition 89 is being led and funded by the big oil companies, drug companies, the insurance industry, HMOs, and other entrenched interests.
- Proposition 89 was drafted and reviewed by experts in constitutional and election law and put on the ballot and backed by Democrats, Republicans, and independent voters.
- The opponents of Proposition 89 want to keep the system exactly the way it is, because they know it works for them, NOT for you. They are making false claims against Proposition 89 because they want to keep political power for themselves rather than having fair elections that make politicians accountable to the voters.

VOTE YES ON PROPOSITION 89! RETURN ELECTIONS TO THE VOTERS AND REDUCE THE POWER OF THE SPECIAL INTERESTS.

DEBORAH BURGER, RN, President
California Nurses Association

HARVEY ROSENFELD, Founder
Foundation for Taxpayer and Consumer Rights

SUSAN LERNER, Executive Director
California Clean Money Campaign

REBUTTAL TO ARGUMENT IN FAVOR OF PROPOSITION 89

Here's what you should know before voting:

PROPOSITION 89 IS A TAX INCREASE TO PAY FOR POLITICIANS' NEGATIVE POLITICAL CAMPAIGNS

The supporters of Proposition 89 won't tell you that what this measure really does, plain and simple, is raise taxes by hundreds of millions of dollars so politicians can run their campaigns at taxpayers' expense.

Everything we don't like about political campaigns—negative television ads and junk mail in our mailboxes—would still be there. The only difference is OUR TAX DOLLARS would be paying for it.

AFFECTS SMALL BUSINESSES TOO

They claim that Proposition 89 is about reducing the impact of big corporations in elections, but it also SEVERELY LIMITS the ability of many small businesses from backing candidates or impacting measures.

That's why the California Small Business Association opposes Prop. 89.

PROP. 89 IS COMPLICATED AND UNCONSTITUTIONAL

They say Prop. 89 was crafted by election experts, but they don't tell you that major portions of a similar measure were

recently thrown out by the Supreme Court. The truth—Prop. 89 is a complicated, 55-page measure that won't work.

PROP. 89 IS UNFAIR

And the biggest deception of all—the authors of Proposition 89 are special interests too! They wrote Prop. 89 so they can still contribute BIG MONEY to ballot initiatives, while small businesses, nonprofits, and others are virtually SHUT OUT. Prop. 89 is a power grab by a single special interest to dominate elections under the guise of campaign reform.

DON'T BE FOOLED BY PROP. 89—IT'S PHONY REFORM.

VOTE NO ON PROP. 89.

LARRY MCCARTHY, President
California Taxpayers' Association

BETTY JO TOCCOLI, Chair
California Small Business Roundtable

JAMES M. HALL, Former Chair
California Fair Political Practices Commission